Advertising Age®

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Schick to slash leaders

By ROBERT RAISSMAN

Warner-Lambert Co.'s Schick razor unit again will slash away at Gillette and Bic with a strong comparison tv spot on behalf of its disposable razor.

Both Warner-Lambert and its agency, William Esty Co., New York, declined comment on the upcoming commercial. Industry sources said, however, it will feature Schick sheriff Jennifer Wells and razor-toting San Francisco 49er quarterback Joe Montana.

The initial Schick comparison spot, which broke last March (AA, Jan. 3, '83), resurrected the battle of the blade. It sent Gillette complaining to the networks that the commercial contained "false claims." Gillette was miffed by Schick's claim that its razor was sharper than Gillette's Good News!

A Gillette spokesman said the Boston-based company would take a "wait-and-see" posture before commenting on the upcoming Schick commercial.

Sources said Gillette did not challenge Schick with litigation because the Schick disposable had "little impact" on Gillette sales. They said that despite Schick's estimated $12 million advertising expenditure in 1983, the Morris Plains, N.J.-based company, at the maximum, gained 2% of the disposable market.

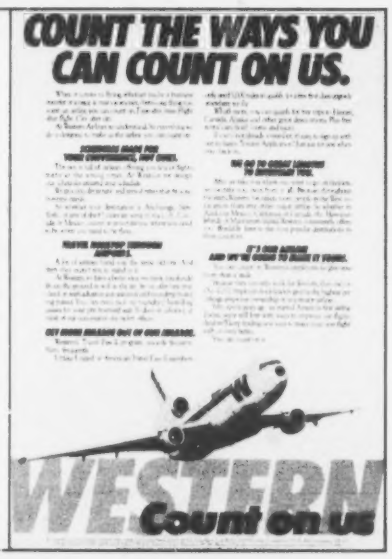
Gillette, they said, has 60% of the

(Continued on Page 82)

Ah, Browning

Western Airlines is breaking a new $12 million campaign wooing business travelers, its first effort from new agency Doyle Dane Bernbach/West. Ads compare the airline's route system to that of United and its early-morning schedule to that of Pacific Southwest.

(See story on Page 77.)



Breaks with tradition

New Pepsi ads turn to humor

By JOHN J. O'CONNOR

With music superstar Michael Jackson's involvement sending it to the zenith of hype, Pepsi-Cola USA's new blockbuster campaign for flagship Pepsi represents a dramatic departure from past advertising showing America living, loving and laughing.

In a concerted effort to present to "a new generation" of soft-drink lovers a brand image strikingly different from those slices of Americana that are a hallmark of archrival Coca-Cola commercials, Pepsi will augment the two 60-second Jackson Brothers commercials breaking nationally Feb. 28 with five others in which humor plays a key role.

Over-all spending is estimated to exceed $40 million.

Although Pepsi has attempted to keep a lid on their content, sources close to the Purchase, N.Y., company confirmed that one of the

(Continued on Page 78)

last minute news

Y&R scores big at AT&T, Kraft, Harvester

NEW YORK—American Telephone & Telegraph Communications has moved its $20 million overseas calling programs (international long distance) account from N W Ayer to Young & Rubicam. Also, the company is moving to Ayer a number of "developmental" assignments Y&R handled, such as the equal access campaign. District manager Phil Shyposh said the total budgets for the developmental accounts had not been determined. However, he indicated they eventually could equal the overseas calling budget. Y&R also added Dart & Kraft's Kraft Dairy Group, Philadelphia, for its Breyers ice cream business, also from Ayer. Spending for '84 is between $7 million and $10 million. Ayer keeps Breyers yogurt, Sealtest and Polar B'ar ice cream squares. In Y&R's Chicago office, International Harvester has joined the roster—for corporate advertising. Budget is $5 million. Tatham-Laird & Kudner handled until last fall (AA, Oct. 3).

ISC to break 'pride' campaign for Colony wine

SAN FRANCISCO—ISC Wines of California will pull the wraps off its first advertising for Colony wine since it purchased the brand and several

(Continued on Page 8)

GF ups coffee bid with Le Cafe entry

By GAY JERVEY

General Foods will usher in yet another new, and decidedly different, coffee on April 1: Le Cafe, a premium, flavored ground roast under the heretofore instant-only International Coffee banner.

Le Cafe, which comes in amaretto, cinammon and mocha flavors, will be launched initially only on the West Coast, where GF introduced a decaffeinated version of its Yuban brand last month.

The company also will roll out its Maxwell House decaffeinated brand to 85% of the country on April 1 (AA, Feb. 13).

Multimedia advertising for Le Cafe—which is currently being sold to the trade—will break April 2 with the tag line, "It's more than coffee, it's Le Cafe."

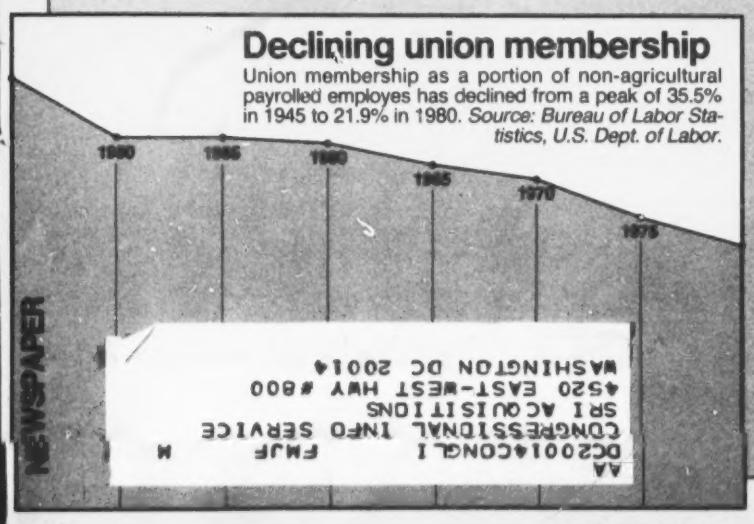
According to a GF spokesman, the product's flavors, distinct packaging and style will be featured in the initial advertising. "The first executions will be highly product-focused," he said. "They will explain the flavor, usage occasions—in general, create awareness of the brand's premium nature."

GF declined to reveal budget

(Continued on Page 78)

Labor works on its image

Union marketing efforts to increase membership are becoming more frequent and more professional. Football star John Riggins shows his union card in an AFL-CIO spot (far left) parodying American Express' "Don't leave home without it" theme, while Shields & Yarnell lend their mime talents to an AFSCME commercial (near left).


Declining union membership
Union membership as a portion of non-agricultural payrolled employes has declined from a peak of 35.5% in 1945 to 21.9% in 1980. Source: Bureau of Labor Statistics, U.S. Dept. of Labor.
1980
1965
1970
1975
NEWSPAPER
AA
DC20014CONGL I FMJF M
CONGRESSIONAL INFO SERVICE
SRI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

Unions test marketing waters

By SCOTT HUME

After decades of believing the business of labor is labor, unions are belatedly, and sometimes reluctantly, entering a new age.

Like the companies it has faced across countless bargaining tables and picket lines, organized labor is entering the business of marketing.

From creating advertising to producing tv programing, organized labor is taking its case to the public more visibly and more professionally than ever before. The transition from adversary to advertiser has its critics, but most labor leaders say the real risk would be in holding back any longer.

Unions' raised voices signify more than a desire to be heard. In the wake of the U.S. Supreme Court's ruling last week that companies may unilaterally amend or abrogate existing union contracts when they file for bankruptcy, organized labor believes it is fighting for its survival.

Marketing may not provide solutions to all its problems, but it now seems labor's best option.

"Organized labor has a good product to sell, but it hasn't been taking advantage of the media available," says Susan Kellock, director of corporate campaigns for Kamber Group, a Washington consultancy. "Unions have been very shy about that."

That reticence is evaporating, she says, and the proof is increasingly evident:

- The public now is likely to see image advertising from the American Federation of State, County & Municipal Employees or the American Postal Workers Union sandwiched between spots for soft drinks and breakfast cereals.
- The AFL-CIO's Labor Institute for Public Af-

(Continued on Page 56)

Canon seeks market snap

By GAY JERVEY

In its biggest launch since the AE-1 eight years ago, Canon USA this spring will try to strengthen its hold on the U.S. 35mm photography market—and put some new life into it—by introducing two new cameras.

The company will begin shipping in April the T70, a technologically elaborate single-lens reflex camera for advanced amateurs and beginners, and the MC, a lens-shutter model designed more for members of the "point-and-shoot" school of picture taking.

Ads for the MC will break in June, with the T70 kickoff slated for the Summer Olympics, around which Canon's entire 1984 multi-product campaign will be focused. As an official sponsor, Canon reportedly has bought some 100 spots during ABC's two-week broadcast between July 27 and Aug. 13.

Although Canon declined to disclose the budgets for either the T70 or the MC, sources estimate that the company will spend as much as $20 million on the over-all launch.

Canon believes its latest offerings will stimulate the entire U.S. photographic market, which has turned sluggish because of the recession and competition from other forms of home entertainment.

As such, Canon said the new entries combined comprise perhaps the most significant—and expensive—introduction in corporate history. For the recent Snappy introduction, the company committed to backing it with some $40 million between break date and 1985.

The T70 sports such features as programed automatic exposure modes, automatic film loading and varied lens capability. It carries a suggested retail list of $450, versus $280 for the simpler MC. Both models, however, are expected to retail for as much as $100 less, given normal retailer discounting.

Creative has not been finalized, but the T70 likely will be marketed as a "new vision in photography," its initial promotional tag line. Grey Advertising handles Canon's tv and Dentsu has print.#

THE ISSUE IS THE MILITARY BUDGET AND WHAT IT'S DOING TO OUR COUNTRY

WHY WE SUPPORT GEORGE McGOVERN

WHAT RONALD REAGAN HAS ACHIEVED

U.S. DEBT INTEREST WIPES OUT SAVING

GEORGE McGOVERN MAKES THE MOST SENSE

THE MILITARY BUDGET— A TRANSLATION

DON'T THROW AWAY YOUR VOTE

Friendly turf?

George McGovern hits New England primary states with ads discussing the military budget.

McGovern unleashing ad spending

By SUSAN SPILLMAN

Following a surprisingly strong third-place finish in the Iowa caucuses last week, Democratic presidential candidate George McGovern is now in the midst of his first major media campaign since declaring his candidacy last September.

Short on funds, the former South Dakota senator aired only one tv spot for a few days before the Iowa caucuses. But between Feb. 17 and "Super Tuesday" March 13, Mr. McGovern will spend about $65,000 on tv and radio spots and about $30,000 on print advertising in New Hampshire and Massachusetts.

"Super Tuesday" is the day primary elections are held in 12 states, including Massachusetts—the only state of those 12 in which Mr. McGovern has qualified for government matching campaign funds and the only one of the 12 states for which he has any media plans.

For tomorrow's New Hampshire primary, Mr. McGovern and his opponents have purchased time on tv stations in Boston and Portland, Me. New Hampshire has only one tv station of its own. The Boston stations reach about 75% of New Hampshire, while the Portland stations cover the northern third of the state.

Mr. McGovern's first "media blitz" consists of two 30-second and one 60-second tv spots, a 60-second radio spot and a page ad in the *Boston Globe* and New Hampshire papers. The advertising combines emotional appeal and issues.

Two of the tv commercials and the radio spot capitalize on Mr. McGovern's "vote your conscience" speech delivered at the Iowa debate. The spots feature portions of Mr. McGovern's address in which he urges: "Don't throw away your vote. . .You owe me that vote, even if you don't believe I'll be the eventual nominee. . .Don't throw away your conscience."

This is a plea that opponent Sen. Gary Hart began piggybacking on in a new radio spot that will run in New Hampshire through tomorrow. The announcer in Sen. Hart's spots tells voters, "Don't just vote your conscience, but vote for someone who can get elected."

Mr. McGovern's third tv commercial, the 30-second

(Continued on Page 82)

'84 Marketing the Candidates

BK, Wendy's turn up heat

By SCOTT HUME and JANET NEIMAN

While Wendy's capitalizes on the success of its "Where's the beef?" campaign, Burger King is breaking new advertising emphasizing salads as well as rethinking its pricing structure.

Burger King next week will launch a new network tv campaign for its salad bars that asks a question of its own: "Have you had your salad today?"

The spots give the No. 2 chain a chance to resupport a menu item consumers may be passing up during the 39¢ hamburger/49¢ cheeseburger promotion.

That promotion's success, Burger King chairman J. Jeffrey Campbell told securities analysts in St. Petersburg Beach last week, is causing the chain to undertake "an in-depth analysis of its pricing structures and those of our competitors." That could mean a permanent price reduction for Burger King's bottom-of-the-line menu items, but Mr. Campbell said Burger King "is not going to start a price war without a declaration."

Wendy's, meanwhile, last week shot a new "Where's the beef?" commercial in the Chicago studio of director Joe Sedelmaier *(see related story on Page 3)*.

The spots could air as soon as next week, depending on how quickly the film can be edited and network buys can be made. Dancer Fitzgerald Sample, New York, is Wendy's agency.

The shoot had been delayed when Clara Peller, the diminutive "star" of the commercials and focus of recent media attention (AA, Feb. 20), acquired a lawyer/agent to renegotiate fees for her appearance. Acceptable terms were agreed upon and filming proceeded.

Wendy's is itself taking the commercial

(Continued on Page 80)

highlights

Monday, February 27, 1984

ABC-TV will hold off decisions on any Sarajevo Olympics makegood requests until after Nielsen audience research is in for all dayparts. *See Page 6.*

Calcium supplement marketers are moving to broad-based consumer ad campaigns, spurring unprecedented competition in the category. *See Page 12.*

National Distillers ads for Windsor Canadian whisky have attracted the scrutiny of Seagram lawyers. *See Page 28.*

Marvel Comics has a major licensing push supporting its new "Secret Wars" title, led by Mattel. Not to be outdone, DC Comics has licensed its superheroes for a Kenner Products toy line. *See Page 28.*

The Wool Bureau is shooting for high visibility in advertising. *See Page 37.*

Top 20 imported wines had a lackluster 1983 as case depletions hit 29.3 cases—almost no change over the previous year's total. *See Page 40.*

Ford Tractor Operations is looking beyond the traditional male-farmer audience with ad campaigns aimed at suburbanites and farm women. *See Page 57.*

Radio sales for 1984 are expected to run about 10% ahead of last year but will not reach previous projections of 14% increases, according to a detailed analysis by Masla Radio president Jack Masla. *See Page 64.*

Shasta Beverages is beginning a new tv push for its Capri Sun drink aimed at the Hispanic market. *See Page 66.*

CORPORATE CLOSEUP

Trailways is pursuing a growth course in an industry hampered by declining ridership and faced with opportunities and challenges brought about by deregulation. *See Page 4.*

INTERNATIONAL

Gruner & Jahr, the German publishing concern that is loaded with cash and has no way to grow much in Germany, is boosting its international expansion drive. *See Page 46.*

The Canadian government is expected to announce shortly an inquiry into the $1.04 billion pharmaceutical drug business. *See Page 47.*

Coca-Cola Co.'s Sprite and Philip Morris Inc.'s 7UP are about to do battle over the French market, the last big country in Europe that hasn't been fully exploited by international brands. *See Page 48.*

VIDEOTECH

Time Inc., for the first time, agrees to supply its magazines through a database. *See Page 50.*

Zenith Radio Corp. is planning to market a new line of videocasssette recorders featuring the VHS program format. *See Page 50.*

MAGAZINE

While the $9 billion giant Beatrice is restructuring, it is waging marketing battles across the country and committing millions of ad dollars to its products. *See Page M-4.*

Toiletries and Beauty Aids: In aggressive pursuit of the consumer's heart, fragrance marketers are blending imagery and personality in their product advertising. *See Page M-9.*

Living in a world without advertising seems bizarre and unfathomable to us, but to citizens in the Soviet Union it's not unusual. *See Page M-46.*

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Jerry set for Reagan re-election

NEW YORK—Ronald Reagan may soon have Jerry Della Femina, Madison Avenue's most celebrated shaved head, helping his bid to give his Democratic opponent a scalping to remember this fall.

Mr. Della Femina generally was ducking the press last week after it was learned Della Femina, Travisano & Partners was in line to create the advertising for the $25 million-to-$30 million Reagan re-election ad drive.

Mr. Della Femina said he also had been hearing his agency was a heavy favorite to win it, but he was extremely guarded with his comments, saying only that he had met with Reagan campaign aides last week essentially to show them his shop's work and credentials.

"It would be terrific to get it," Mr. Della Femina said, adding that one of the first things he would do is call Peter Dailey, the vice-chairman of Interpublic Group of Cos. He played a key role during Mr. Reagan's successful 1980 election campaign.

So did Philip Dusenberry, BBDO vice-chairman, and it was he who helped screen the Della Femina shop and other agencies here for the assignment. Messrs. Dailey and Dusenberry previously have turned

(Continued on Page 82)

MIDNIGHT BLUES
(A True Hotel Story)

The plane was two hours late.
Then there weren't any cabs.
It rained and you got soaked.
You ate two meals in the air. No dinner.
You are beat.
Your kids are two thousand miles away
and your wife says they're coming down with something.
The clock strikes twelve and
you're standing at the hotel desk waiting for someone to notice you.
In "Charley's Showboat Lounge,"
on the other side of the lobby, lights are frantically flashing.
Someone puts on Greatest Disco Hits of All Time.
Your head throbs to the beat.
Finally, the desk clerk appears.
Does he say, "Mr. _____, we're glad you finally got here!
We kept the room. Anything we can do for you?
Room Service? Wake-up call?"
No.
Actually, he doesn't say much of anything.
It takes forever for him to give you
a registration card.
Then he wants to see "I.D."
There's only one thing to do.
Go to the hotel that knows
how to take care of business.

NEXT TIME RAMADA
1-800-2-RAMADA

Ramada Inns goes after business travelers — Page 81

Hefner looks to direct mail, new publications, video

Playboy charts its growth

By ROBERT REED

CHICAGO—Playboy Enterprises soon will begin mapping a strategic plan aimed at furthering the growth of its existing publishing and entertainment properties, says company president Christie Hefner.

In an interview, Ms. Hefner said Playboy's goal is to position itself as a premier marketer of print information and video programing.

The plan will take shape over the next 12 months, as a restructured management team comes on line, she says. It is being formulated at the same time as Playboy nears completion on the sale of its 45.7% interest in the Atlantic City hotel and casino—a move that will add some cash to Playboy's coffers.

And it also comes in the wake of the $1.2 million profit the company reported for the fiscal second quarter—the first black ink seen in two years.

According to Ms. Hefner, Playboy's blueprint probably will call for:

- Starting more direct-mail properties designed around the publishing division's *Playboy* and *Games*.
- Making small publishing acquistions.
- Possible launches of new publications.
- Enlarging the programing scope of the fledgling video division.

In addition, it will continue to concentrate on attaining further product licenses for goods bearing the Playboy and Playmate signatures, while also going on with the franchising of the Playboy clubs.

The foray into direct mail would, at the outset, mean marketing newsletters, books or services that would bear either the *Playboy* or *Games* logos.

"Direct marketing is a growing business, and there are some real opportunities there," says Ms. Hefner. It is already sending insurance packages to subscribers.

Playboy is thinking about bringing a financial newsletter into the fold targeted at *Playboy's* reader list, says Ms. Hefner. There is also the possibility of starting up various onetime specialized books.

Also, it is a distinct possibility that the company will be more aggressive in its pursuit of smaller publishing acquisitions.

"We'll consider looking into other areas where there are good levels of reader and advertiser acceptance and where a larger company like Playboy could be helpful," says Ms. Hefner. She says, however, that her company is not in the market for any major acquisitions.

"I wouldn't want to cash-borrow and spend $40 million on something," she notes.

Yet, Playboy "wouldn't rule out" starting up some publications from scratch if they were based on good ideas.

The video division also is shifting its direction. At the outset, it confined programing to sex-oriented serials and magazines. Now Playboy is gradually getting back into producing original films.

Playboy is currently backing 18 feature

(Continued on Page 80)

Acquisition aggressiveness crucial to food companies

By NANCY GIGES and JANET NEIMAN

ST. PETERSBURG BEACH, FLA.—Growth through acquisition was the overriding theme here last week as food and beverage marketers told the Consumer Analysts Group of New York how they plan to survive in an increasingly competitive marketplace.

Executives from Campbell Soup Co. and R.J. Reynolds Industries, for example, talked of their progress in infusing marketing dollars into businesses that previously had been run as commodities.

Reynolds president-chief executive officer J. Tylee Wilson said the company's Del Monte division, acquired several years ago, is just beginning to realize substantial benefits from its restructuring into a "marketing-driven company."

Del Monte's plans for this year include expansion of branded fresh pineapple, the testing of other fresh fruits (including grapefruit and papaya) and a new frozen food line (*see story on Page 80*).

Mr. Wilson said Reynolds would not rule out large-scale acquisitions, but a more likely scenario would be smaller-scale add-ons or fill-ins for existing lines.

Campbell president R. Gordon McGovern said Campbell easily could digest about $200 million in acquisitions every two years.

Pillsbury Co. is looking for growth from both internal development and acquisitions, according to vice-chairman Winston Wallin. "Our acquisition efforts have been and will continue to be focused on consumer foods domestically and internationally," he said, adding that diversification involving more consumer product lines, more restaurant concepts and international expansion "appeals to us."

Campbell Soup plans packaged salads and Hispanic foods. See Page 66.

As for past acquisition success, ConAgra's John Phillips, president of the company's prepared foods unit, told the group that its recent addition of Armour's frozen foods to the company's line has put the company both in the "Chevrolet end" (with its Banquet label) and in the "Cadillac end" (with Armour Dinner Classics) of the business.

Executives from Reynolds, Consolidated Foods, Quaker Oats, ConAgra and Campbell expressed interest in mail-order businesses. RJR's recent purchase of Bear Creek includes Harry & David mail-order gifts and Jackson & Perkins' plants.

While many of the executives agreed they viewed acquisitions as a means to fill out their lines, IC Industries' chairman William B. Johnson said he is seeking a major base to replace the railroad subsidiary the company eventually intends to sell.

IC's success in the franchise business as both franchisor with Midas and franchisee with Pepsi-Cola General Bottlers has prompted a close look at this type of business; he said he currently is reviewing two companies as potential acquisition candidates.

General Foods president Philip L. Smith said his company is in the market for both self-standing acquisitions such as Oscar Mayer & Co., which GF acquired in 1981, as

(Continued on Page 80)

world news roundup

MEXICO CITY—Brandy Presidente, Mexico's best-selling liquor, is expected to pick a new agency early next month to handle its $5.4 million account. McCann-Erickson, J. Walter Thompson Co. and D'Arcy MacManus Masius are vying to replace Camacho Publicidad.

LONDON—Stroh Brewery Co. plans to reintroduce imported Schlitz beer in the U.K. through Scottish distributor Rivinend. Schlitz entered the U.K. seven years ago, but ad support declined. No ad plans yet.

MEXICO CITY—Beecham de Mexico will introduce Aqua-fresh toothpaste, Aqua Velva aftershave and Vanderbilt fragrance in April, supported by a $3 million ad campaign through Ideas y Hechos-Grey.

BERN—Young & Rubicam won the new $2.5 million account of Promarco, a group of 54 Swiss brand-name marketers that wants to use an ad campaign to fend off competition from generic brands.

SCHWALBACH—Procter & Gamble is rolling out improved Luvs, via Luerzer Conrad & Leo Burnett, and Pampers, via Compton, with refastenable tapes in Germany.

PARIS—The French government is proposing a new law that would restrict the number of print ads used by liquor companies.

LONDON—Nabisco Brands has realigned its agency roster, dropping JWT, due to potential client conflict, and Wight Collins Rutherford Scott, the agency with the smallest Nabisco billings. Collett Dick-

(Continued on Page 46)

DMM mulls all options for '88 goal

By DENNIS CHASE and HOWARD SHARMAN

D'Arcy MacManus Masius Worldwide executives, who have had preliminary talks with potential merger candidates (AA, Feb. 20), now are saying that the agency can double in size by 1988 without linking with another agency.

DMM, which recorded a 1983 worldwide billings growth of 9% in a just-released financial statement, has been stymied in its talks with potential merger candidates partly because of DMM's insistence that it not be treated as a second, third or fourth-string agency group within a giant holding company.

"A number of people have been looked at and a number dis-

(Continued on Page 77)

adWatch

New categories for 1984

Question: Of all the advertising for (product category) you have seen, heard or read in the past 30 days, which first comes to mind? Numbers represent percentage of first mentions in category. *Source: SRI Research Center, Lincoln, Neb.*

Personal computers

Apple	28.2
IBM	11.5
Commodore	7.5

Home electronics

Sony	4.3
RCA	3.6
General Electric	3.1

Apparel

Levi's	10.6
Jordache	5.4
Sears	4.0

Financial institutions

Merrill Lynch	7.9
E.F. Hutton	6.9
Dean Witter	1.6

Apple and 'beef' big hits on ad recall menu

By SCOTT HUME

Wendy's "Where's the beef?" campaign and Apple's "1984" spot for its Macintosh computer couldn't be more dissimilar in style. But in addition to being two of last month's most-discussed advertisements, they have another trait in common.

Both were among last month's best-remembered advertising.

Wendy's showed up among the 10 most frequently named advertisements regardless of category in the January adWatch, ADVERTISING AGE's monthly survey of consumer advertising awareness.

Apple made a surprisingly strong showing—28.2% of first mentions—in the computer category. Previously, computers had been lumped in the home electronics category, where in December Apple advertising had come to mind first for only 7.6% of the 1,250 adults polled.

That had been good enough only for the No. 2 spot behind category leader Atari (13.9% in December).

But the dramatic "1984" tv spot that aired for a week before the Super Bowl, as well as new spots for Apple's Lisa computer, last month put Apple in front.

Atari, meanwhile, placed fourth (5.6% of mentions) when last month's 1,251-person sample was asked to name the first computer advertising that came to mind. Placing second and third were IBM (11.5%) and Commodore (7.5%).

In order, January's 10 most frequently named advertisers were: (1) Miller/Miller Lite; (2) Coca-Cola; (3) McDonald's; (4) Burger King; (5) Ford; (6) Budweiser/Budweiser Light; (7, tie) Wendy's, Stroh's, Chevrolet; (10) Pepsi-Cola.

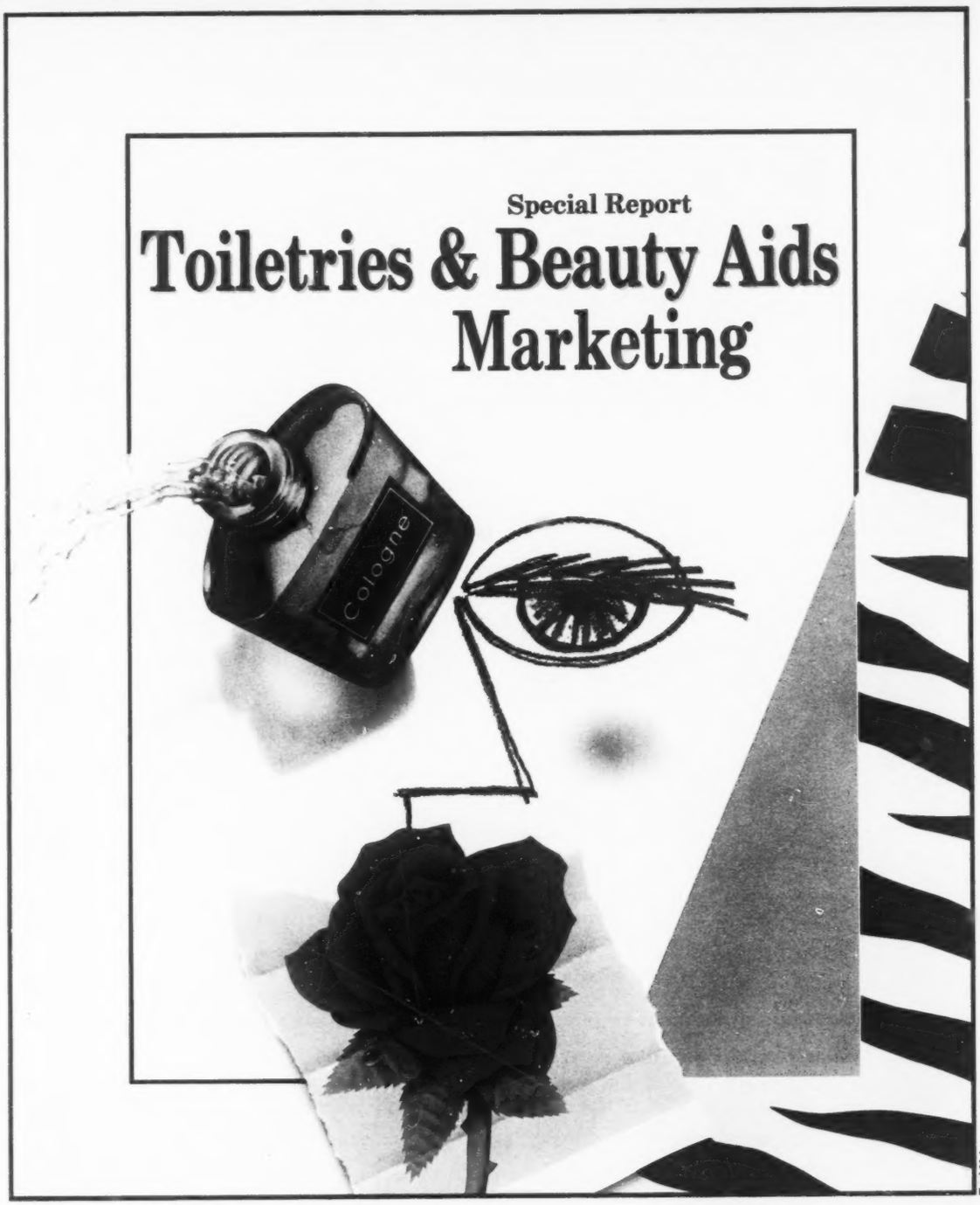
Wendy's appearance in last month's top 10 was its first since adWatch began in April, 1982. Still, it remained in the shadow of McDonald's and Burger King.

The same held true in the separate fast-food category. McDon-

(Continued on Page 73)

Special Report

Toiletries & Beauty Aids Marketing



Fred Nelson

New strategies revive the rose's fading bloom

By Bess Gallanis

Product duplication fueled the fragrance industry's steady growth during the 1970s, but eventually manufacturers suffocated in their own scents, as products overwhelmed the consumer of the 1980s.

The fragrance industry—estimated at $3 billion retail sales annually—is frantically searching for a sweet-scented tonic to revive itself.

New directions in advertising indicate the industry's search for the right imagery to bring the consumer back. But reflecting social trends is no longer enough to differentiate a fragrance in an overcrowded marketplace.

Bess Gallanis is a Chicago-based free lance writer and frequent contributor to Magazine. She wrote about L'erin cosmetics in last year's special report on Toiletries and Beauty Aids.

The Charlie fragrance is now evocative, rather than provocative as the Charlie Girl dances through the night.

Other elements in the marketplace have numbed the fragrance industry's pulse points as well. The most recent recession, consumer resistance to impulse buying and product diversion are merely the beginning.

Retail dollar sales of women's fragrances increased only 3% in 1982, according to Product Marketing, an industry trade publication, as unit sales volume took a dip—a decline that for a few years was obscured by steady price increases.

The rush to get new products to the marketplace all started with that *provocateur* of the 1970s, Charlie. Striding solo, confident and in control, attracting the attention of admirers, but choosing to gather none, Charlie, the upstart, spoke to the new woman of the 1970s. Charlie, backed by the seemingly bottomless coffers of Revlon, endured to become the best-selling fragrance in the world—

(Continued on Page M-10)

Men's fragrance ads: There's

By Hortense Leon

The smoke of marketing fire power is billowing from the men's fragrance segment. There is an escalating battle going on. The prize is the American male.

Sensuous and entertaining as these ads are, do they really sell the product?

The battle is being waged on two fronts. First, it is seen in the proliferation of ever glossier, glitzier and gushier tv, radio and print advertising promising everything to the consumer.

Then, there is the drama that is being played out in the board rooms and among the ad agencies. These are the folks who make the claims: Their product is up; the sky's the limit; the men's fragrance business is definitely taking off this time.

But if everyone is doing so well, what is all the sound and fury about? Why is the advertising war heating up? And where are all the figures?

In any case, one thing is certain. The consumer is the winner in this struggle. He or she is reaping the benefits in discounts, giveaways, and most of all in being able to see some very entertaining advertising.

Why would any videocassette recorder owner want to zap out such titillating commercials as the one for Paco Rabanne by Ogilivy & Mather, where we eavesdrop on sexy sweet nothings whispered over the phone by two lovers? (She stole away from his bed to get to the airport, leaving him asleep, looking like "a toppled Greek statue." She also swiped his Paco Rabanne cologne.)

But if Paco Rabanne has the over-25 crowd breathing heavy, other contenders vie for the attention of those in the post-pubescent years.

(There are, of course, some recent, and more sober fragrance introductions with names like CEO and Wall Street, designed to appeal to the executive male—but then, the aura of power has connotations all its own.)

John Paul Itta, president of the agency bearing his name in New York, speaks lovingly of his own creation, a commercial for Coty Wild Musk and Coty Musk cologne, the latter being for men: "It's a kind of fantasy creation of the first man and woman on earth or of the first encounter between two people who have never seen the opposite sex," he says.

"They eye each other. They're sparsely dressed. The man has a Michelangelo-like purity. The woman's body, which is equally beautiful, is the result of contact with a rugged, hostile environment, not [trips to] the Nautilus. They are supposed to be from early tribes, a noble new species on earth. We watch them stalk each other. It's like a ritual. She touches him. One touch bares a thousand quivers."

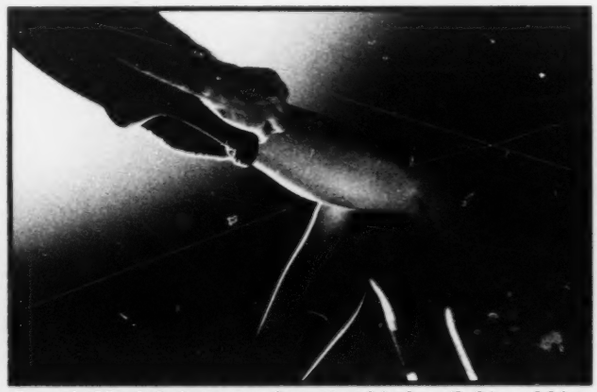
Sexual messages in perfume and cologne ads are not new. Yet, the kind of hard sell we have been seeing of late, with almost explicit sexual material, seems to be on the upswing. Fragrance companies are pulling out all the stops as the market begins to look a little crowded.

A trip to the men's cologne counter at a major department store tells the story. At a Marshall Field department store in suburban Chicago, the counter this past Christmas displayed perhaps 50 different bottles of the stuff, each more beautiful and suggestive than the next.

And if (potential) love is for sale at the fragrance counter, so are the popular notions promoted by the human potential movement, including the one that a man need no longer conform to the macho stereotype.

The print ad for Mem Co.'s English Leather Musk, for example, emphasizes youthful lust over mature passion. It features Greg Horner, a student at Washington State University. The ad is designed to warm the hearts of jittery adolescents about to embark on their first romantic adventure. The ad reads, "Wear Musk by English Leather when you're feeling bold. Or when you're feeling shy. Either way, Musk by English Leather will speak for you."

Another ad that speaks to the "New Age" man is one for Chanel's Antaeus, which shows a nude, Greek god draped just below the waist in red satin. He has his back to the camera and is turned at an angle, much like



Jovan's Musk brings out the animal in her (left) and him. The leggy scene (above) was deleted from a network tv Jovan spot—but it wasn't too risque for MTV.

Hortense Leon, a Chicago-based free lance writer, has, thus far, had no unprintable experiences while wearing musk cologne.

Pouring dollars into scents

Media expenditures for perfumes and toilet water by major advertisers ($ thousands)

Brand/company	1982 Six-media total	Per cent of total media expenditures for perfumes and toilet water
1. Vanderbilt perfume (Warner Cosmetics)	$ 6,472.9	6.6%
2. Chanel perfume	5,8[illegible]8.1	6.0
3. Sophia perfume (Pfizer Inc.)	[illegible],367.4	5.5
4. Charlie perfume (Revlon Inc.)	[illegible],652.2	4.7
5. Daydreams perfume (Schering-Plough Corp.)	4,161.4	4.3
6. Senchal perfume (Squibb Corp.)	4,137.1	4.2
7. Jontue perfume (Revlon Inc.)	3,756.9	3.8
8. Emeraude perfume (Pfizer Inc.)	3,748.4	3.8
9. Nuance perfume (Pfizer Inc.)	3,545.8	3.6
10. White Linen perfume (Estee Lauder Inc.)	3,159.9	3.2
Top 10 total	$44,880.1	46.0%

Source: Leading National Advertisers

Strategies

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a position Revlon executives claim it still holds.

But Charlie was not merely the workhorse in the Revlon corral. It blazed a trail for the entire fragrance industry. "What Charlie did was break new ground," says Sanford Buchsbaum, executive vp-advertising for Revlon. "The fragrance made a major statement that caused a proliferation of me-too products."

Until Charlie was launched in 1973, there were no major brands, according to Mr. Buchsbaum. The fragrance market was rather static and predictable. The enormous success of Charlie provided market impetus for a proliferation of brands at both the popular price points and prestige price points.

And as the winds of social change wafted gently through the 1970s, so has fragrance advertising very subtly shifted its emphasis from life style positioning to one that's product-driven—you wear the fragrance, the fragrance doesn't wear you.

Says Annette Green, director of the Fragrance Foundation in New York: "We're seeing new

Charlie blazes a trail for the fragrance industry...

lust in their spots

the classic statue of Atlas holding up the world—only he's holding up a giant replica of Antaeus. The caption reads, "A reflection of strength and sensitivity."

But sensuous and entertaining

Sexual awakening at the dawn of fragrance advertising—that's what this commercial for Coty Wild Musk products is all about.

as these ads are, do they really sell the product? Some say yes.

"The American male is starting to buy cologne," says Joseph Messina, senior vp-creative services at Halston Fragrances. "He is following the lead of his European counterpart who has always worn cologne." Halston itself is indicating its optimism by recently launching a new fragrance called Halston 101, the third in its line of men's cologne.

But this kind of optimism is not rampant among the ranks of financial analysts. Says Marie Davis of Smith Barney Harris Upham & Co., speaking as a consumer: "Men are still not buying cologne for themselves. I don't see this happening—and I live in New York, where people are supposed to be progressive. I buy it for my husband, but it sits on the shelf. So I use it around the Kitty Litter because it smells good."

Annette Green, executive director of the Fragrance Foundation in New York, tells this story: "We're going through a sensory revolution. It is the antithesis of the computer and technology revolution. People are involving themselves at one level with technology and at a personal level with products of the senses. Fragrances speak very specifically to this phenomenon."

Miss Green feels that "although there are threatening elements in the environment," consumers can "at least control their own personal environments. I think men have reacted very positively to this message."

Yet, it still seems to be more women than men who are actually making the purchases. According to a report by Business Trend Analysts in Commack, N.Y., more than 50% of men's fragrance purchases are still made by women.

Jack Salzman, analyst and first vp at Smith, Barney, believes that the fantasy in the men's fragrance business is carried beyond what appears on the tv screen and in the pages of slick magazines.

Says Mr. Salzman, "No one knows what the market is, who is buying and if the product is ever used. Few companies have done market research to determine this. Also, manufacturers don't report sales for specific product lines so cosmetics companies don't have a hard data-

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The top 10 who spend for men

Media expenditures for men's toiletries by major advertisers ($ thousands)

	Brand/company	1982 Six-media total	Per cent of total media expenditures for men's toiletries
1.	Old Spice Cologne for Men (American Cyanamid Co.)	$ 7,735.1	12.0%
2.	Stetson Cologne for Men (Pfizer Inc.)	4,589.5	7.1
3.	Mennen Skin Bracer (Mennen Co.)	3,494.5	5.4
4.	Chaps Cologne for Men (Warner Cosmetics)	3,449.8	5.4
5.	Aqua Velva After Shave Lotion (Beecham Group PLC)	3,282.8	5.1
6.	Aramis & Devin Men's Cologne (Estee Lauder Inc.)	2,542.7	4.0
7.	English Leather Cologne (MEM Co.)	2,407.9	3.8
8.	Blue Stratos Aftershave/Cologne (American Cyanamid Co.)	2,287.3	3.6
9.	Edge Shaving Gel (S.C. Johnson & Son Inc.)	2,087.2	3.3
10.	Brut Toiletries for Men (Faberge Inc.)	2,083.1	3.2
	Top 10 total	$33,929.9	52.9%

Source: Leading National Advertisers

Dynasty's Joan Collins helps Revlon create a personality for its Scoundrel perfume.

product attributes, and advertising reflects [the position] that the product does something for you." Charlie is now the evocative fragrance rather than the provocative fragrance, as the Charlie girl dons a sexy dress and dances through the night. And, at the market's high end, the sleek sophistication of Catherine Deneuve's pouting endorsement of Chanel No. 5 has given way to inspiring our New Wave fantasies.

The aggressive pursuit of a place in the consumer's heart has passionately taken the industry in a new direction—but it is shrouded behind soft-lensed shots and subtle headlines that whisper romance, romance everywhere. It started with Revlon's Jontue in the mid-1970s. According to Revlon's Mr. Buchsbaum, "Revlon recognized that women had made the equality point, which Charlie addressed. By 1975, women were hungering for an expression of femininity. They were ready to re-express themselves personally, and that was Jontue's position."

... and causes a proliferation of me-too products.

The marketplace reacted to Revlon's lead, and quickly followed with Cacharel's Anais, Anais, Max Factor's Le Jardin (with devastatingly romantic actress Jane Seymour as spokeswoman), Warner Cosmetics' Vanderbilt and the newest entry, Ruffles, an Oscar de la Renta perfume manufactured by Parfums Stern.

Vanderbilt was one of the most successful new product launches of 1982, going national on network tv, supported by print. Gloria Vanderbilt's signature swan motif is carried through from the bottle to the advertising, which portrays a fluttering swan in an inky-dark pool of water and a tagline that says: "Let it release the splendor of you."

Tapping the same romantic theme, but using a different approach, Oscar de la Renta's Ruffles, in limited distribution at a prestige price point, was introduced last fall with promotional events in six cities to establish it as an "important" fragrance. Two hot-pink hearts in a romantic *pas de deux* symbolize mutual sharing and the tagline spells it out: Ruffles is "the fragrance to love and be loved in."

But what will turn the head of today's consumer? "Advertising alone isn't the answer," says Ms. Green. "The marketplace is so volatile and changing so fast that the consumer is no longer loyal to the concept of a signature fragrance. The consumer has become accustomed to the free gift with purchase, which promotes the line more than the fragrance. Manufacturers have begun addressing the issue of bringing the consumer back to the fragrance."

Ms. Green applauds the efforts of manufacturers who are attaching personalities to the fragrance. Manufacturers claim opportunity motivated them. But undoubtedly the extra panache helps diminish the enormous risk of a new product launch. Charles of the Ritz Group recently announced a licensing agreement with 20th Century-Fox Licensing Corp. to

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Lusty spots

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base. Everyone says the market is growing, but no one knows how fast.

In the 1970s, when there was an estimated 4% to 6% unit growth per year for the industry as a whole, it was not necessary to keep track. But now things have slowed down.

"The fragrance business is sort

Quorum cologne makes a man smell good. But it may also make him a regular hell-raiser.

of like the movie business in one respect. Most movies don't make money, but the ones that do, make a lot. It's the same in the fragrance business. Only a few products make it, but those which do, make it big."

As to the lack of hard data, Mr. Salzman's point is illustrated by his own estimates of the size of the men's fragrance sector.

Mr. Salzman believes $500 million in retail sales to be a good guess for 1983. Miss Green, on the other hand, believes that men's fragrances did about $850 million in retail sales this past year, which she says is about a 14% growth.

Says Mr. Salzman of the generally small sales that any one product can achieve in this market, "Even Old Spice probably doesn't do over $50 million a year. Polo, one of the biggest sellers, did exceedingly well at $30 million to $50 million in sales at the manufacturer's level in 1983.

"In comparison, [Revlon's] Charlie, one of the most popular women's fragrances, did $45 million to $50 million at its peak in 1980-81."

But whatever the sales figures happen to be, Smith Barney does have a handle on which fragrances are the most popular. Reports Mr. Salzman: "According to our current buyers survey of men's fragrances, which indicates the best selling—not necessarily those with the highest volume—Aramis and Polo are tied for No. 1 followed by Lagerfeld and Paco Rabanne."

No two analysts seem to think alike regarding this peculiar industry. While Mr. Salzman compares its volatility to that of the movie industry's, which implies perhaps that it is amusing, David Saks, vp-management director for A.G. Becker, Paribas, is at the other end of the spectrum: It leaves him cold. "The cosmetics industry never changes," he says. "The products are always the same. They're just wrapped in different bottles. That's why I stopped following the industry in the mid-1970s.

"I've never seen a well managed company. And of course the profits are volatile. That's because the industry has a problem. Management can't seriously ask people to invest because the tastes of the public are too fickle. Products are sold on the basis of whim, fad and hype. It's very much like the blue jean market. Furthermore, it's not a growth industry."

And there are other industry critics and naysaysers. William J. Fitzgerald, a consulting economist in Potomac Md., whose namesake company monitors the industry, says that his findings are not as rosy as the claims of the companies. Quite the contrary. Although at this writing the figures for December haven't been processed yet, Mr. Fitzgerald says that sales going into December were flat.

"The problems in the industry," says Mr. Fitzgerald, "have been disguised by price increases in recent years. But in fact, from our survey of usage rates, we have found that people are using fewer cosmetics in general. The industry peaked in the third quarter of 1981.

"Of the families in the $35,000-and-under classification, we found fewer people buying. In this income bracket, we found that women who make most of these purchases were not buying their husbands cologne for gifts. They were buying shirts or ties or other apparel if the money was tight. This phenomenon blew up the myth that the fragrance business is recession-proof. In fact, cars did better in late 1983 than cosmetics."

Added to the problem of attracting buyers to cosmetics shelves in general is the conflict within the industry between mass and prestige products. "There's a war shaping up in the cosmetics industry between the two categories," says Mr. Fitzgerald. Even during the recession people were buying upscale—and they continue to do so. The reason, of course, is that off-price selling is a growing phenomenon. More and more, we are seeing prestige products available in off-beat places.

At the same time, Mr. Fitzgerald believes that the problem of diversion of prestige products into unconventional channels isn't as great for men's fragrances as it is for women's. "Women who buy for themselves are concerned about getting the product at the lowest price, regardless of what kind of box it comes in. If they are buying a gift for a man, however, they will make sure it has a nice gift box, and so may buy regular price. And, if the man is buying for himself, he doesn't look for bargains in the way the woman usually does."

Despite the confusion, one thing is certain: Fragrance marketers, each carving out a specific market segment, trying to to put an end to the cologne-only-at-Father's Day buying pattern. After all, look what the Paco Rabanne man has to look forward to.

Taking a clue from the birds and bees

Men wear cologne to turn women on; women wear it to turn men on. An interesting thesis, considering that fragrance historically has been attributed with aphrodisiacal properties. But does it really work?

There are few fragrances that actually have any proof of their drawing powers, but Andron by Jovan (a division of Beecham Cosmetics in Chicago) may be one exception.

Launched in 1981, Andron, marketed in male and female versions, has become in the last year and a half an important product to watch. Its popularity is based on the claim that one of its ingredients, alpha androstenol, is a human pheromone. Pheromones are chemical substances that communicate sexual excitement to the opposite sex and trigger sexual attraction.

Pheromones, which until recently have only been identified in animals, are a topic of controversy: Not all scientists investigating the subject believe that there is proof they exist in humans.

"The scent went throughout my body. I wanted to let my animal instincts be free."

However, John E. Amoore, a private consultant to Jovan, is a biochemist who does believe this. He is appearing as a spokesman for Jovan on the lecture circuit and talk shows, and while he does not claim absolute proof for the substance, he believes there is strong evidence in its favor.

Jovan representatives say that they have gotten testimonial letters from people who have come into contact with the product. For example, one letter from a 32-year-old woman says that she smelled Andron on a 70-year-old physician and became incredibly turned on.

She says, " . . . . The scent went throughout my body . . . . I wanted to let my animal instincts be free . . . . My eyes were lighted with lust . . . . My mouth started to fill with saliva . . . . "

The woman also says in her letter, "Please excuse the explicit description. I'm not at all a vulgar person . . . . To me, Andron is the first legal aphrodisiac." Of course, the company does not claim exactly to be marketing a legal aphrodisiac, but neither does it hesitate to share its fan mail with the public.

—H.L.

Strategies

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manufacture a Dynasty (as in the hot prime time tv saga) line of prestige price point female and male fragrances and cosmetics—and a scent has yet to be developed. "It shows a trend toward concentrating on the product by giving it an identity," says Ms. Green, referring to the Dynasty collection.

Robert Miller, president-ceo of Charles of the Ritz Group, says: "We'll work closely with the stars of 'Dynasty' to develop a product consistent with the personality of the character." Mr. Miller hesitates to confirm trade rumors that the first fragrance to be developed will be Krystle, named for character Krystle Carrington. But he adds: "A Krystle fragrance would be warm and feminine—a reflection of her character."

It's difficult to discuss fragrance advertising without mentioning Chanel, cited by industry sources as one of the biggest advertising spenders and dramatic image makers. Through third-quarter 1983, Chanel spent approximately $1.3 million on spot tv commercials for Chanel No. 5, according to figures published in Leading National Advertisers. Last year, Chanel focused on promoting its latest campaign for the classic fragrance.

The theme "Share the Fantasy," was incorporated into two commercials. Directed by New Wave stylist Ridley Scott (of "Bladerunner" and "Alien" motion picture fame) for agency Doyle Dane Bernbach in New York, "Pool" and "Gardens" tap what Chanel presumes are the 1980s woman's fantasies. The commercials' critics charge the message is obscure and nobody understands it. But it gets attention, and says Philip Naquin, vp-advertising, " . . . very top-of-mind awareness is one of our goals.

"The objective in working with these images is to appeal to young people coming into the market by keeping Chanel's image fresh," says Mr. Naquin. "Other fragrances were copying the Deneuve approach—Cie, for example, by using [actress] Candice Bergen. We felt a change was necessary . . . were seeking a future direction.

"Awareness and attitude of Chanel is as a classic, quality product," he says. "We're proud of our classic history and want to use it as a springboard into the future."

That's all fine and well, according to an industry observer, who asks, "But does it make people buy it? You run the danger of speaking to an elitist audience, and frankly, I don't think anybody's really found the New Wave yet."

While marketers spend on advertising that promotes today's image, the danger to the industry's future lies in product diversion, which Mr. Miller feels looms as the industry's larger problem. "Because of the discount phenomenon and diversion of products there has been a blurring of classes of trade. Product diversion destroys the images of brands. Where the woman buys the product is as important as what she buys.

"It's a costly business to get into the department stores. The consumer and the department stores have come to expect promotional gifts with purchase, and that diminished the value of the product and adds an extra expense that benefits no one," exhorts Mr. Miller.

Sweet sales of success

Top five brands of women's fragrances distributed through department stores

1982* rank	Brand (company)
1.	Oscar de la Renta (Parfums Stern)
2.	Opium (Squibb Corp.)
3.	Lauren (Warner Cosmetics)
4.	Halston (Esmark Swift)
5.	White Linen (Estee Lauder)

*All brands have less than 5% share due to a highly fragmented market.

Source: Business Trend Analysts

Coming

Next week Advertising Age Magazine's special report will focus on Personal Computers.

High-tech magazines still flying high

By STUART J. ELLIOTT

NEW YORK—The Audit Bureau of Circulations' latest magazine circulation figures (AA, Feb. 20) indicate recent readership trends remain basically unchanged.

The per-issue averages for the six months ending last Dec. 31 show continuing interest in books covering high technology, food, business, women's interests and the health and fitness boom. The men's sophisticates, and other titles that have been losing readers, for the most part still are doing so.

Mirroring the six-month results are the circulations of the top 10 magazines, as their rankings are the same as for the six months ending Dec. 31, 1982. The largest gain was 11.6%, while the largest loss was 2.8%.

High-tech titles again are flying high, as seen in these circulation gains: *Compute!* 247.1%; *Personal Computing*, 106%; *Popular Computing*, 67.4%; *Video*, 61.5%; *Infoworld*, 56.2%; *Video Review*, 55.1%, and *Electronic Games*, 53%.

All four members of the epicure category showed gains: *Food & Wine*, 42.5%; *Cuisine*, 5.7%; *Bon Appetit*, 2.8%, and *Gourmet*, 2.2%.

In the business field, circulation increases ranged from 1.4% for *Forbes* and 2.6% for *Fortune* to 25.5% for *Venture* and 47.8% for *Inc.* One, *Business Week*, showed a decline, and that was just 0.3%. *Nation's Business*, which was suffering serious circulation drops (AA, Nov. 29, '82, *et seq.*), rebounded, with a gain of 22.6%.

Women's magazines generally were strong. Among the Seven Sisters, four gained—*Redbook*, 4%; *Ladies' Home Journal*, 2.3%; *McCall's*, 1.4%, and *Woman's Day*, 1.3%—while three declined—*Family Circle*, 2.8%; *Good Housekeeping*, 1.8%, and *Better Homes & Gardens*, 0.6%;

The newer women's books fared even better, with all but a handful showing higher circulation. *Savvy* and *Working Mother* were each up 18.5%, and *Working Woman* was up 12.8%.

Health and fitness magazines are still healthy, as shown by these results: *Shape*, up 78.1%; *American Health*, up 45.4%; *Prevention*, up 8.4%, and *Health*, up 2.3%.

Somewhat less healthy was the science category, which showed mixed results. While *Omni* and *Discover* gained circulation, by 4.4% and 3%, respectively, both *Science Digest* and *Science 83* were down, by 2.4%.

Far less healthy was the men's sophisticates category, where the long-running story of losses went on. *Playboy* lost 292,000 copies (down 6.5%), to 4,209,324. *Penthouse* lost 274,741 copies (down 7.3%), to 3,500,275.

Again the pattern held of other magazines targeted to men gaining circulation while their racier competitors lost it: *Esquire*, up 11.8%, and *Gentlemen's Quarterly*, up 5.7%.

The supermarket tabloid field also suffered, as all but one title registered declines, ranging from 8% (*Star*) to 13.5% (*Globe*). The exception: *Weekly World News*, up 18.6%.

Magazines in sales declines that saw those declines steepen included *Pickup, Van & 4-Wheel-Drive*, which is to be renamed (AA, Feb. 13), down 24.7%, and *Psychology Today*, down 20.7%.

Among the newsweeklies, two out of three gained circulation: *Time*, up 3.4%, to 4,615,594, and *Newsweek*, up 0.5%, to 3,038,832. *U.S. News & World Report* showed a decline of 1.6%, to 2,122,619.

For those who keep score corporately, here's what happened to the three largest (by number of titles) publishing companies. Hearst, with 13 magazines, had gains in 10 and losses in three. The largest increases were *Connoisseur*, 59%; *Country Living*, 31.3%, and *Town & Country*, 13.3%. The three declines: *Colonial Homes*, 0.5%; *Good Housekeeping*, 1.8%, and *Science Digest*, 2.4%.

Conde Nast, with eight titles, split evenly. Ahead were *Gentlemen's Quarterly*, 5.7%; *Glamour*, 7.4%; *Gourmet*, 2.2% (it joined Conde Nast in October), and *Self*, 13.6%. Down were *Bride's*, 9.9%; *House & Garden*, 41.5% (as part of a planned rate-base slash when it changed formats); *Mademoiselle*, 1.4%, and *Vogue*, 5.3%.

At Time Inc., all seven titles showed circulation gains: *Discover*, 3%; *Fortune*, 2.6%; *Life*, 3.4%; *Money*, 23.2%; *People*, 4.1%; *Sports Illustrated*, 3.7%, and *Time*, 3.4%.#

Largest magazines by circulation

Modern Maturity's* gain of nearly 1 million readers far outdistanced the gains or losses of the other top ten magazines. The 2.3% jump by *Ladies' Home Journal* was second among increases while the top three managed less than 1% each. Figures represent the per-issue average for the six months ending December 31 of each year. *Source: Audit Bureau of Circulations

Rank '83	Rank '82	Name	12/31/83	12/31/82	Change Per cent
1	1	*Reader's Digest*	17,937,045	17,900,290	+ 0.2
2	2	*TV Guide*	17,066,126	17,003,698	+ 0.4
3	3	*National Geographic*	10,626,224	10,613,599	+ 0.1
4	4	*Modern Maturity*	9,296,187	8,328.199	+11.6
5	5	*Better Homes & Gardens*	8,041,951	8,088,226	− 0.6
6	6	*Family Circle*	7,193,079	7,400,984	− 2.8
7	7	*Woman's Day*	7,025,290	6,932,355	+ 1.3
8	8	*McCall's*	6,358,293	6,267,469	+ 1.4
9	9	*Good Housekeeping*	5,393,087	5,489,934	− 1.8
10	10	*Ladies' Home Journal*	5,252,444	5,134,649	+ 2.3

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adWatch

(Continued from Page 3)

ald's remained the undisputed leader in awareness in January, as it captured 41.8% of first mentions behind its "America's meat and potatoes" campaign. Burger King was No. 2 with a 21.5% share.

Wendy's remained No. 3 with 7.7% of first mentions, a gain of about 1 percentage point since December.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb. Ad awareness is measured by asking a nationally projectable sample of consumers to name the advertising that first comes to mind in a variety of product-service categories from all they have seen, heard or read in the previous 30 days.

Last month, 1,251 adults were questioned by phone. Under adWatch methodology an increase or decrease between monthly samplings of 2.8 percentage points is considered statistically significant and attributable to more than sample variation.

In addition to separating computer advertising from the home electronics category last month, several new categories were added.

Nearly half the sample (46%) was unable to recall any **wearing apparel** advertising, but 10.6% named Levi Strauss, enough for the No. 1 rank. Jordache was No. 2 with 5.4% of first mentions. The smiling faces of Cheryl Tiegs and Arnold Palmer were memorable enough for Sears to take the No. 3 spot with 4%.

Merrill Lynch's advertising moved into an initial lead in the **financial institutions** category added last month. E.F. Hutton's 6.9% share was a close second to Merrill Lynch's 7.9%, indicating a tight race for awareness in future months. Dean Witter was third with 1.6%.

Six out of every 10 adults surveyed were unable to name a single advertisement for financial services.

In other categories last month:

- The Purina brand of **pet foods** was last month's largest single gainer in advertising awareness. Purina, with tv support last month behind the introduction of its Sea Dog brand, came to mind first for 16.5% of the sample, a 5.2 percentage point jump over its December awareness level.

Alpo remained in the No. 2 spot with a 7.9% share, while Purina's Meow Mix cat food was named by 3.8% to place it third.

- Some uncharacteristic changes took place in the normally quiet **breakfast foods** category last month. The Kellogg's umbrella brand name that had led the category in awareness for the previous six months tumbled to fourth place with a 3.5 percentage point drop to 4.2% of first mentions.

General Mills' Cheerios, meanwhile, rose 3.3 percentage points to 8.2% and the No. 1 spot. Two other GM brands, Total and Wheaties, tied for second with 5.6%.

- Polaroid may be feeling the absence of former celebrity spokesman James Garner. It registered the month's largest decline in awareness, falling 5.6 percentage points in the **cameras & photographic equipment** category. Polaroid's 10.1% share of first mentions dropped it to the No. 3 spot behind Kodak (30.5%) and Canon (16.4%).#

For additional information or data, contact: Gary Gabelhouse, SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

the advertising market place

SOFTWARE MARKETING

Rapidly growing, Cambridge-based software company seeks two highly motivated individuals to participate in consumer marketing and product development efforts. Our company is the leading publisher and marketer of software for home personal computers.

Product Manager

Position reports to Director of Marketing. Excellent growth opportunity in high visibility position. Candidate must have experience in advertising, print media, consumer promotion and market research. Two to three years' consumer package goods experience. MBA desirable.

Assistant Product Manager

Reports to Product Manager. Individual will have key responsibility in bringing new products to market. Must have strong project management, organizational and editorial skills. One to three years' background in advertising or consumer marketing desirable. MBA preferred.

Qualified candidates should forward a resume and salary history to Mr. Gray, Spinnaker Software, 215 First Street, Cambridge, MA 02142.

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MARKETING DIRECTOR

Solid and successful midwest advertising agency is seeking an experienced marketing professional to direct the marketing support activities which are provided to its excellent list of growth-oriented clients.

This individual will be involved in all agency consumer accounts, with responsibilities including the development of complete marketing plans, new product strategy/positioning work, consumer promotion and market research.

The ideal candidate will have:

- A 5+ years track record of accomplishments.
- Solid consumer packaged goods experience, either on the client or agency side.
- Strong written and verbal skills.
- New product or market research experience, and Advanced Marketing Degree are real advantages.

Position offers an attractive salary and benefits package, pleasant surroundings, an opportunity to add staff, and excellent advancement potential within a progressive marketing-oriented business environment.

Please send resume, salary history, and a letter detailing why you are intersted in us, and why we should be interested in you.

Send to:

Box 8626, ADVERTISING AGE
740 N. Rush St., Chicago, IL 60611

ADVERTISING DIRECTOR

Excellent opportunity for qualified person to head up in-house advertising and promotion department of large, expanding chain of retail jewelry stores and catalog showrooms. Minimum of 8-10 years of retail experience required. Strong background in the planning and production of newspaper advertising for jewelry and hardlines is highly desirable. Send resume and salary history in confidence to:

Box 8562, ADVERTISING AGE
740 Rush St., Chicago, Ill. 60611

ADVERTISING/MARKETING DIRECTOR

Expand existing territories.
Build new territories.
Experienced & aggressive sales/marketing pro for your publications.
Reply to:

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Opportunity With Barry Blau & Partners

Barry Blau & Partners, Inc., America's fastest growing direct response agency, is looking for a number of talented, dedicated people to work on leading national accounts. We need account managers; mail order fulfillment systems and merchandise managers/buyers; writers and artists. Substantial response experience is helpful but will consider heavy general agency background. Some positions are in our beautiful, campus headquarters in Westport, Connecticut — other positions open in our offices around the country. Salary open. Attractive compensation packages. Resumes please to Laura Ripston, Barry Blau & Partners, Inc., P.O. Box 5160, Westport, Connecticut 06881.

ADVERTISING PRODUCTION MANAGER

RADIO SHACK'S in-house advertising department, the largest in the Southwest, has an opening for a highly experienced production and traffic control manager.

The successful applicant must have a minimum of 6-10 years of advertising production experience in an ad agency or in-house advertising department, a proven record as a "make-it-happen" person and a good knowledge of all phases of graphic art and print production. Demonstrated supervising ability and scheduling control is a must.

Excellent company benefits including Stock Purchase Program and Deferred Salary Investment Plan.

Send resume detailing background and experience to:

Carol Gerrick—Personnel Division
Tandy Corporation/Radio Shack
500 One Tandy Center Fort Worth, TX 76102
(817) 390-3206

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TELELOGIC

Telelogic Inc., a leading manufacturer of telecommunications equipment and one of the fastest growing companies in the U.S., is seeking outstanding marketing professionals to help us grow to $1 billion in sales by 1990. The following positions, reporting directly to the Director of Marketing, are newly created as a result of Telelogic's incredible growth and expanding product line.

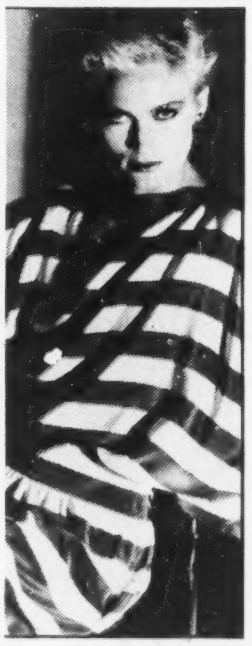
Planning Manager

Will direct all company market research activities, including long-term product planning and market strategies. This is an excellent opportunity for an experienced marketer with a strong research and planning background, preferably in the telecommunications field.

Marketing Manager

Will manage all aspects of company advertising, public relations and sales support. Also will direct trade show participation. Ground floor opportunity for a dynamic individual to develop and implement corporate communications program.

Telelogic offers excellent salaries plus a bonus program, as well as stock options and a comprehensive benefit package. Please send your resume to Dan Pearson, Director of Personnel, TELELOGIC INC., 196 Broadway, Cambridge, MA 02139. An Equal Opportunity Employer.



FASHION ART DIRECTOR

The Limited, the nation's fastest growing specialty retailer, has an executive opportunity for a Fashion Art Director in our Marketing/Advertising Department at our Corporate Headquarters.

A minimum of 10 years experience with major fashion resources is necessary. Must be able to direct layouts, fashion shoots, national ads, and annual report. The candidate must have tremendous fashion sensitivity with national and international experience a plus.

We offer an excellent salary and benefits package in addition to a challenging work environment. If you want to be part of this dynamic company, please respond in confidence to:

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The Limited, Inc.
Personnel Dept. — HBS
P.O. Box 16528
Columbus, Ohio 43216

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ADVERTISING SALES

CHICAGO OFFICE

We are the publisher's of three highly respected, ABC audited Special Interest magazines; Flower and Garden, The Workbasket and Workbench.

Due to the retirement of one of our Chicago sales executives, we have an opening for an energetic salesperson. A successful track record with a minimum of two years of direct face-to-face selling in the media field would be desirable. However, if you feel you are a self starter, have excellent work habits and communication skills, we would like to hear from you.

We offer a salary and a sales incentive plan which makes us competitive in our industry. In addition, we provide other benefits including profit sharing, pension plan, and group hospitalization. The position requires approximately 40% travel in the Midwest with travel and entertainment expenses paid by the company. Mileage allowance provided when you must use your own car.

Send your resume and salary history in confidence to:

Mr. Finley Tate
Personnel Manager
Modern Handcraft, Inc.
4251 Pennsylvania Avenue
Kansas City, MO 64111

Fall tv season preview — Pages 47, 48 & 49 **U.S. News adds value** — Page 4

Advertising Age

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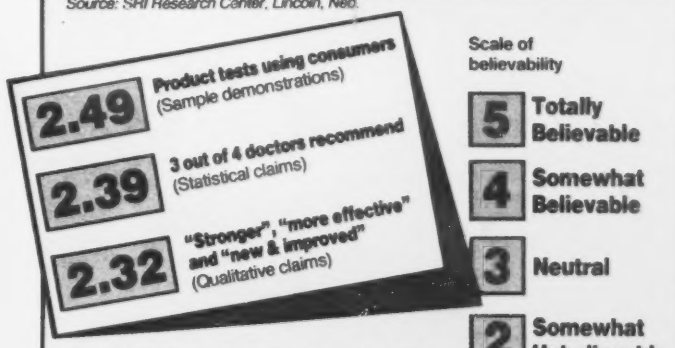
$1.25 a copy; $52 a year *The International Newspaper of Marketing • In Two Sections, Section 1.* *March 5, 1984*

The image of advertising

Rating believability

Source: SRI Research Center, Lincoln, Neb.



Participants in the study found product claims to be "somewhat unbelievable" when asked to "rate the believability of the different types of claims about products."

Product claims not believable

By NANCY MILLMAN

Marketers that make specific product claims in their advertising have a credibility problem.

A recent study conducted for Advertising Age asked consumers to rate the believability of sample demonstrations, qualitative claims and statistical claims they see or hear in advertising. Sample demonstration is the only type of product claim that approached a "neutral" rating.

Qualitative claims and statistical claims were rated "somewhat unbelievable" over-all.

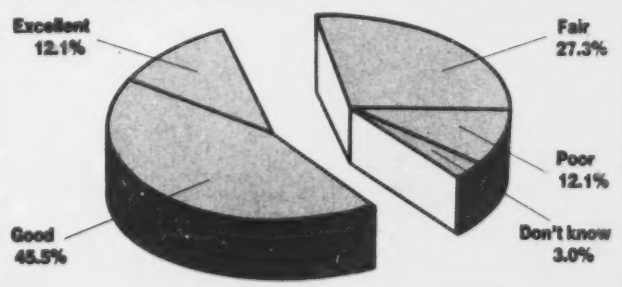
The study is the second in a series on the image of advertising conducted for AA by SRI Research Center, Lincoln, Neb. It was conducted in November, 1983.

A stratified random sample of 1,250 respondents was contacted, and all were called a minimum of three times. The sampling was

(Continued on Page 32)

Rating television advertising

More than 50% of the participants in the study answered either good or excellent when asked, "thinking specifically about television advertising, how would you rate its overall quality?"



NEWSPAPER

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CONGRESSIONAL INFO SERVICE
SPI ACQUISITIONS
4520 EAST-WEST HWY #800
WASHINGTON DC 20014

It's a go for national 'Washington Times'

By RICHARD L. GORDON

Washington—The upstart *Washington Times* is out to show that four can play the "national" newspaper game, with the launch of a national edition starting in northern California April 16.

The *Times*, created 22 months ago to be the newspaper voice for conservatives in the nation's capital, plans to leapfrog the country via satellite with a 24-page Monday-to-Friday paper that Ronald Reagan's personal pollster, Richard Wirthlin, has quietly tested among California readers.

The official announcement, due this week, confirms the first step—the April launch from a printing site in Hayward, Cal., outside San Francisco (AA, Feb. 20). On June 4, there will be a second step—when publishing starts at an undisclosed printing site to serve Southern California.

At least two other sites are likely to be in operation before this fall's election.

According to James Whelan, *Times* editor and publisher, the newspaper's owner, the News World Communications affiliate of the Unification Church, has already committed more than $3.7 million to equip 11 printing sites with the necessary satellite dishes and related gear needed to print the paper.

An eventual network of 20 plants, which he claimed could be in place by 1985, would "assure same-day mail delivery of the paper to 90% of the country."

These investments are moving ahead even though the *Times*' Washington metropolitan edition is still a long way from turning a profit in its battle with the entrenched *Washington Post* for advertising and circulation.

Mr. Whelan said his paper has only about 100,000 circulation and

(Continued on Page 72)

Brewer considers regional brands

A-B readies Eagle beer

By ROBERT REED

Anheuser-Busch's brand explosion continues as it prepares to test Eagle, a new economy-price beer designed to give the No. 1 brewer entry into a segment gaining in consumer popularity and industry importance.

There is brewing-circle talk that Eagle—which adopts the name of Anheuser's salted-snacks line—will be just one of the beer marketer's new low-end beers. It is possible A-B will start up other brands in various regions that will bear names with local or parochial appeal, brewing sources say.

Also, A-B apparently is having second thoughts about tagging its soon-to-be-introduced malt liquor with the name King Cobra (AA, Feb. 20). It will test that name in tandem with the label Panther, according to sources.

A-B declined to comment on this information.

This influx of new products reflects a revamped marketing strategy on which A-B has recently embarked. The plan is designed to continue A-B's market-share growth within a sluggish beer-selling environment (AA, Nov. 14).

Industry sources are attributing Eagle's entry into the low-end segment to this positioning and to some other important factors.

One of A-B's primary goals is to go head-on against Stroh Brewery Co.'s expansion of its low-price Schaefer brand, which was rolled out last year into the beer-thirsty Sunbelt and has seen sales gains of 1 million bbls., giving a total of 3 million bbls. in 1983, according to industry data.

That brand, coupled with the growth of Stroh's popular-price Old Milwaukee, is making the Detroit-based brewer a dominant factor in those low-price-but-high-volume segments, prompting A-B to seek a presence, says Manny Goldman, beverage analyst with Montgomery Securities, San Francisco.

St. Louis-based A-B also is keeping a watchful eye on Miller Brewing Co., which is preparing another

(Continued on Page 73)

Carnation gives FCB ad portion

By JENNIFER PENDLETON

Los Angeles—Carnation Co. has shifted 20% to 25% of its total $50 million-to-$60 million advertising business to Foote, Cone & Belding.

It represents the company's first major commitment to a second agency in almost 70 years.

The switch also marks the first time Carnation products have gone outside the Interpublic family, and represents a return to the West Coast of the business.

It is fueling further speculation that principal agency SSC&B is losing its hold on Carnation.

Sources close to the company

(Continued on Page 70)

last minute news

Popsicle consolidates products at DFS

Englewood, N.J.—Popsicle Industries, a subsidiary of Consolidated Foods, has merged advertising for its frozen confections at Dancer Fitzgerald Sample, New York. Included are Popsicle, Fudgsicle and Creamsicle, plus Oreo Cookies 'n Cream, now in national distribution. Spending for 1984 will be $6 million. Previous agencies: Levy, King & White, Buffalo, for the Popsicle line and Wm. Esty Co. for the Oreo item.

Stroh names Ohlmeyer for ad, programing work

Detroit—Stroh Brewery Co. has added Ohlmeyer Advertising, New York, to its list of agencies with an assignment to produce advertising and programing, although Ohlmeyer has not yet been given a specific Stroh brand. Programing is expected to be sports events and network specials.

Mexicana reviewing its $6 million U.S. account

Los Angeles—Mexicana Airlines is reviewing agencies for its $6 million U.S. account. Finalists include Keye/Donna/Pearlstein; Eisaman, Johns & Laws, JWT and incumbent Dailey; decision due at the end of March.

Almaden stresses taste in new chablis debut

San Jose—Almaden Vineyards is introducing Golden chablis, a fruitier, more upscale alternative to Almaden Mountain chablis. A $6 million cam-

(Continued on Page 8)

MCI ads looking to stars

By ROBERT RAISSMAN

MCI Communications will leave its upstart image behind today when it begins a campaign using establishment-type celebrities.

The new commercials are both to distinguish MCI from the nearly 200 long-distance carriers in the market today and to continue attacking AT&T.

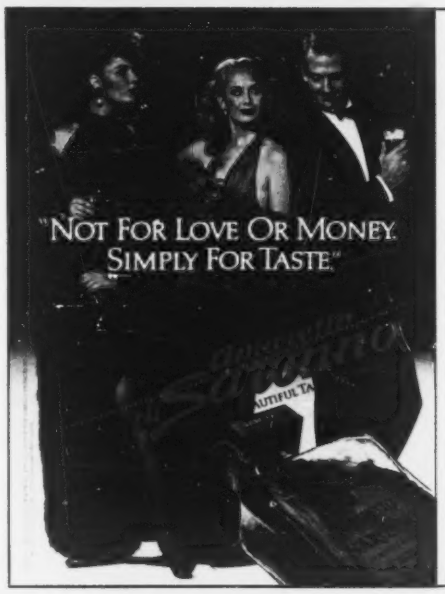
Merv Griffin, appearing in his first tv commercial, will lead off in a series of four commercials. Charles Feeney, senior vp-management supervisor at MCI agency Ally & Gargano, said the company would use two other celebrities between now and the fall. He declined to identify them.

Not only will MCI take a different tack in the campaign, but the company also will increase its advertising expenditures during fiscal 1985, which begins April 1. Ed Carter, MCI's senior vp-marketing, said the company would spend $45 million in fiscal '85, compared with $31 million in fiscal '84.

Mr. Feeney said the move to celebrities was not a response to AT&T, which uses Cliff Robertson and other "stars."

The fact that MCI is now a $1.5 billion company with 3 million customers led MCI to switch its advertising focus from the concept of discount long-distance to telling the public what the company actually is—a big corporation.

The consumer knows that MCI is a discount carrier, Mr. Carter said. "The consumer who doesn't buy from us now wants to know that we are big. They want to know that we are big enough to be established, credible and trusting. Many people don't have any idea how big we are."#



For taste, not love

Amaretto di Saronno is being repositioned by Glenmore Distilleries in the most aggressive marketing program in the brand's 95-year history. Ads tag lined "Not for love or money. Simply for taste" break in April issues of 20 consumer magazines. Louisville-based Glenmore will be spending at the rate of $7 million on an annualized basis, via Bloom Agency, New York.

Jerry declines Reagan ad job

By JOHN J. O'CONNOR

Unable to work out satisfactory arrangements concerning agency compensation and allocation of his time, adman Jerry Della Femina reluctantly has removed Della Femina, Travisano & Partners as the leading candidate to handle the Ronald Reagan/George Bush $25 million-to-$30 million re-election ad campaign.

Philip Dusenberry, vice-chairman of BBDO and the man who recommended Mr. Della Femina, has supplied the committee with names of additional agencies. A commission spokesman said, "Fortunately, we're in the position where we don't need to be making commercials right away."

"I really wanted to do it," Mr. Della Femina said in a telephone call from Chicago. "But they wanted to pay us well below a 15% commission and 10% for production. In a sense, they really want an agency to work on a volunteer basis."

The assignment also would have included media buying, he said, which would have necessitated hiring several additional media buyers to what he envisioned would be an 80-person staff, including some volunteers.

Another major snag involved

(Continued on Page 72)

Theatricals bomb at net box office

By DIANE MERMIGAS

The three commercial networks will be paying less for fewer theatrical films in the future after the beating box-office blockbusters have taken at the hands of made-for-tv product this season.

The most dramatic example came Sunday, Feb. 26, when the network tv debut of "Star Wars," which attracted a 25.1 rating, 35 share on CBS, was blunted by the premiere of the five-hour ABC made-for-tv movie "Lace," the first night of which averaged 28.2/39.

It was a profound upset, considering that Hollywood in recent years has not turned out a box-office hit with more mass appeal than "Star Wars" and that many in the industry considered "Lace" a steamy custom-made tv drama with no particular redeeming values. NBC's Feb. 26 rebroadcast of "Urban Cowboy" mustered only 10.5/15.

To compound matters for CBS, indications are the network will have to provide make-goods to advertisers.

The situation underscored a dilemma with which the networks have wrestled for some time—that high-price theatrical films no longer are potent counterprograming forces because of their advanced exposure on pay cable tv and home videocassette players. About 40% of America's tv households are wired for cable and about 10% use vcrs.

Made-for-tv movies and miniseries, which generally cost half the price paid for theatrical film rights by network tv, have emerged as the prime time events which generate the most excitement, revenues and ratings. They frequently employ such sure-fire elements for success as being based on well-hyped best sellers, focusing on provocative topical story lines and showcasing popular tv stars.

ABC and CBS are locked in a photo finish for February sweeps. See Page 70.

The networks now more than ever will be sinking their programing dollars into original product over which they have more control.

" 'Star Wars' did well despite the fact that it didn't win the night. But who would have guessed that the top grossing movie of all time would be beaten by a tv miniseries? What happened Sunday is a decisive blow against using theatrical films the way we have in the past," said Harvey Shephard, senior vp-programing, CBS Entertainment.

"We aren't going to stop buying theatrical films altogether, but we're going to come pretty close to it, and we're going to divert all that money to made-for-tv product instead. We're already doing it," Mr. Shephard said.

For the next season, the top-ranked network is planning a record 39 hours of miniseries (costing about $2 million per hour to produce) and 45 different made-for-tv movies (costing about $1 million per hour to produce), compared with only 10 network tv theatrical releases.

"It will get to the point, and very quickly, where the prices of theatrical films for network tv are going to drop dramatically because they don't have the value they once did for the networks, or the distributors will come up with an alternative for showing some films first on network tv before they go to pay cable. But things won't be the same anymore," Mr. Shephard said.

Lew Erlicht, president, ABC Entertainment, was quoted last week before leaving on a trip out of the country as having the same sentiments. "Unless there is a change in their selling

(Continued on Page 70)

highlights

Monday, March 5, 1984

Two Federal Trade Commission members have told Congress that new ad-case selection policies supported by Reagan administration appointees have "virtually no legal precedent." *See Page 6.*

Procter & Gamble and Chesebrough-Pond's began airing in court their differences over the advertising for competing Wondra and Vaseline Intensive Care skincare lotions. *See Page 6.*

Dr Pepper is planning to boost its advertising and marketing efforts after becoming a privately owned unit of Forstmann Little & Co. *See Page 12.*

International Data Corp. vp-marketing Joseph Levy says that computer software companies are missing the mark in their advertising and losing potential sales. *See Page 45.*

Two market research companies have unveiled new sophisticated devices and diagnostic services for measuring tv audiences. *See Page 56.*

CORPORATE CLOSEUP

U.S. News & World Report Inc.'s financial success—its stock has soared to $625 a share—may bring an end to the 22-year-old span of employe ownership. *See Page 4.*

INTERNATIONAL

The World Health Organization in Geneva is about to be attacked by an international consumer group with demands for a tough pharmaceutical marketing code at the WHO's annual meeting in May. *See Page 42.*

Britain's Independent Broadcasting Authority is being pressured to launch an investigation this year into the practice of tv stations granting volume discounts to agencies and advertisers. *See Page 42.*

J. Walter Thompson Co. appears to have kept the lion's share of the $45 million Ford of Europe account after the account had been considered ripe for a move to Ogilvy & Mather International last year, according to sources. *See Page 43.*

Brazil's carnival, the high point of the Brazilian year, which is being celebrated during five days this month in Rio de Janeiro, is becoming an unprecedented media and advertising event. *See Page 43.*

VIDEOTECH

The tv networks already are gearing up for development of new series for the 1984-85 season. *See Pages 47-49.*

The Summer Olympics in Los Angeles will interrupt regular production of tv series there, and possibly delay the start of the new tv season. *See Page 47.*

Warner Amex Cable of Cincinnati is teaming with independent station WXIX-TV to bring interactive commercials to viewers. *See Page 50.*

MAGAZINE

Network news is facing an uncertain future as it is challenged by alternative news sources and a pervasive discontent with the quality of the news itself. *See Page M-4.*

Personal Computers: The fun-and-games beginnings of the industry have evolved into a real marketing battle among companies to survive. *See Page M-11.*

Agency-client conflict is a problem on the rise as the latest discussion among Advertising Age Magazine's Sounding Board members shows. *See Page M-64.*

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7UP fizzes at Mac's counters

By ROBERT REED and SCOTT HUME

Seven-Up Co. has been dealt a significant blow by McDonald's Corp.'s decision to bypass 7UP as its lemon-lime drink for competitor Coca-Cola's Sprite.

The fast-food company said last week that after testing both 7UP and Sprite, "management's choice for a lemon-lime drink is Sprite." Now, Sprite will be placed on the company's list of approved products, meaning it is the sole lemon-lime option that can be used in all of McDonald's 6,200 U.S. units.

Also, while Diet 7UP remains an approved option, it is likely that operators will choose the other approved diet drink, say industry analysts—Diet Coke.

McDonald's requires that two of its standard four soft-drink offerings be Coca-Cola and a carbonated orange-flavored drink. Operators may pick one of two approved diet drinks, either Diet Coke or Diet 7UP, and another flavor which now can be either Sprite, Dr Pepper or a root beer. A Seven-Up spokesman said it was not officially told of McDonald's action and declined to comment further.

The Sprite decision means sev-

(Continued on Page 73)

Lotion case chafes judge

By NANCY GIGES

NEW YORK—Both Procter & Gamble and Chesebrough-Pond's called a string of scientists to testify on clinical methodology as the two companies began fighting the battle over skin lotion advertising in federal district court here.

Judge Gerard Goettel is hearing testimony to decide whether a temporary restraining order should be issued against either Wondra (P&G) or Vaseline Intensive Care (Chesebrough-Pond's) lotion advertising until the court hears the case.

The two companies are countersuing and asking for temporary and permanent restraining orders regarding each others' advertising (AA, Jan. 9).

Both make superiority claims in tv commercials, and the key issue was summed up by the judge at the start of the hearing: "I have skimmed the factual portion [of the trial memorandums], which can be summarized as saying the other side's tests stink and ours are great, and you should enjoin them and not us."

In the complaint, P&G said Vaseline Intensive Care's claim that it is unsurpassed in relieving dry skin is false and deceptive because improved Wondra has been proven superior in independent clinical studies. For its part, C-P has said improved Wondra has never been tested against regular VIC lotion.

The hearing is scheduled to continue this week.#

FTC 'deception' language hit

WASHINGTON—Two dissenting Federal Trade Commission members have told Congress that the new ad case selection policies supported by Reagan administration appointees "create an entirely new definition of deception" which "has virtually no legal precedent."

The 63-page legal brief, signed by commissioners Michael Pertschuk and Patricia Bailey, is expected to play an influential role later this month when the House commerce and energy committee calls FTC chairman James C. Miller III to justify changes in the commission's policing of advertising.

The two Carter administration holdovers claim the definition of deception outlined by FTC's new majority in a letter to the committee "is rife with inconsistencies, presents confusing and sometimes contradictory standards" and "ignores important legal precedent."

Chairman Miller issued a statement contending the dissenters "have once again mischaracterized the statement," and commissioner George W. Douglas termed the issues raised by their brief "a tempest in a teapot."

The intramural battling is expected to come into focus March 26 when Rep. John Dingell (D., Mich.), will confront chairman Miller with the two conflicting opinions of what the law means.

Rep. Dingell already has recorded his annoyance with the FTC majority by returning its October submission to Mr. Miller with a sharply worded note contending it is not responsive to the committee's request for an analysis of the present state of the law.

Chairman Miller says the purpose of the new language is to give the industry and the staff clear guidance on the limit the commission applies to its own powers. The definition is virtually identical with proposals that he has urged Congress unsuccessfully to adopt as part of the Federal Trade Commission Act.

Documents released by FTC illustrate how its senior staff sees the new language as a safeguard against unreasonable cases. Under the standards advocated by the majority, the staff document said, FTC would have avoided cases such as Firestone Tire & Rubber Co., California Milk Producers Advisory Board, Quaker Oats and Westinghouse Electric Corp.

(In the Firestone case, according to the staff summary, FTC challenged ads for a tire called Safety Champion, on the ground that they implied these tires are safer than all others. The milk board case charged that the phrase "everybody needs milk" is false because some people are allergic to milk. The Westinghouse case challenged use of the word "new" for tv tubes made from recycled glass, and the Quaker case attacked the phrase "hickory-kissed flavor" on the ground that the charcoal briquets were made from corncobs rather than wood.)

The majority policy defines deceptive ads as those "that are likely to mislead consumers acting reasonably in the circumstances to their detriment."

The dissenters claim this introduces new language that will confuse the courts, and they contend that deception has traditionally been defined as "acts or practices which have a tendency or capacity to mislead a substantial number of consumers in a material way."

The dissenters claim that introduction of the term "acting reasonably" opens up a possibility that consumers who do not exercise caution would not be protected.

The majority contended that the meaning was twisted, that acting reasonably meant it was a reasonable interpretation of what the ad actually intended to do.#

Gen. Mills makes 'toast'

MINNEAPOLIS—General Mills will introduce new Cinnamon Toast Crunch children's cereal nationally in April.

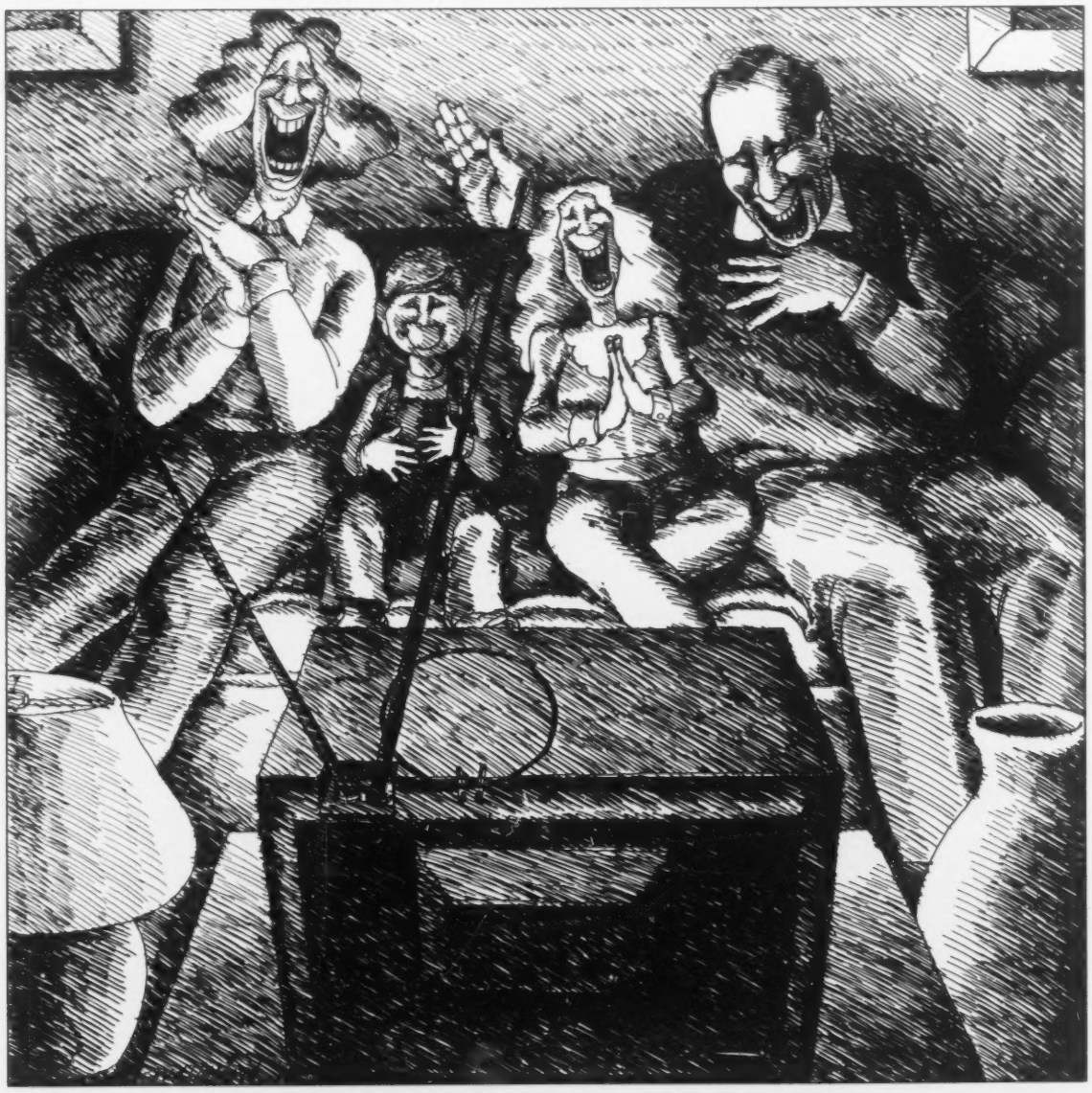
The whole wheat-based cereal is said to resemble Big G's Golden Grahams, with cinnamon coating.

Support includes tv spots running on children's programs, 25¢ newspaper insert coupon in June, 25¢ direct-mail coupon, in-pack coupons and 25¢ cross-ruff coupon on the company's Nature Valley Granola Bars.

A "toastally awesome" t-shirt being offered on packages could signal the campaign theme. Campbell-Mithun has the assignment.#

corrections & clarifications

- *People's* rate base (AA, Feb. 27, P. 78) is to increase to 2.75 million in July.
- The Columbia Data Products assignment to Kenyon & Eckhardt (AA, Feb. 27, P. 8) is being handled by the New York office, while the J.H. Filbert business goes to the Boston office. Also, the $3 million Holiday Inns account in Europe has been assigned to K&E affiliate Butler Dennis Garland.
- The December ad linage figures for *New York News* were reported erroneously. They should be: 1983-37.7, 1982-54.8, year-to-date, 1983-678.6, and year-to-date, 1982-667.1 (AA, Jan. 23, P. 68).#



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Gaylord Broadcasting Company

Ad image

(Continued from Page 1)

stratified and broken out by region based on the four Census Bureau regions of the continental U.S.

This is the first time respondents were asked particular questions about product claims.

The Federal Trade Commission also is conducting research on ad substantiation to determine whether consumers expect ad claims to be consistent with available research (AA, Oct. 3).

When asked to rate the believability of sample demonstrations in advertising, 39% of all respondents said they were "not at all believable"; 25% said "somewhat believable"; 18% were neutral; 19% said "somewhat believable," and 8% found this claim totally believable.

The mean score was 2.49 on a scale of one to five, five being totally believable.

Females were more positive than males in their responses: 9% found demonstrations "totally believable" and 28% "not at all believable," while 5% of the men interviewed said "totally believable" and 33% said "not at all believable."

The highest income bracket measured—$40,000 and up—was toughest on product claims: 5% of that group found demonstrations totally believable and 36% said they were not at all believable.

Of respondents in the less-than-$10,000 bracket, 11% found demonstrations totally believable and 22% said not at all believable.

Consumers also were asked to rate the believability of "statistical claims" such as "three out of four doctors recommend."

The mean score was lower on this question: 2.3. Only 4% of males and 5% of females said such claims were totally believable; 14% of males and 18% of females said somewhat believable; 18% of males and 20% of females were neutral; 27% of males and 24% of females found them somewhat unbelievable, and 36% of males and 32% of females said not at all believable.

In the demographic breakdown, the $40,000-and-up income group gave this question a mean score of only 2.04—only 3% found this type of claim totally believable while 46% found it totally unbelievable.

The $10,000-to-$20,000 income group rated this type of claim the highest: 5% said such claims were totally believable; 27% said totally unbelievable.

The third type of product claim consumers were asked to rate was a qualitative claim such as "stronger," "new and improved" or "more effective." Again the mean score of 2.39 indicates a perception that such claims are somewhat unbelievable.

Females again rated such advertising slightly higher with a 2.51 mean score compared with 2.24 for men. Again, the $40,000-and-up income group strongly disbelieved such advertising claims—39% said totally unbelievable while only 3% said totally believable.

Respondents in the western region of the U.S. consistently rate believability of each type of advertising claim much lower than respondents in the other regions.

Respondents upheld the findings of the first study (AA, Oct. 24) regarding the over-all quality of advertising, with 63% giving a rating of excellent or good.

In this study, consumers were asked to comment specifically on tv advertising, an area that is being addressed by American Assn. of Advertising Agencies' research into the image of advertising.

The over-all quality of tv advertising was rated lower than was the over-all quality of all advertising. Of the total respondents, 12% said the quality of tv advertising is excellent; 45% said it is good; 27% said fair; 12% said poor, and 3% did not respond.

As income levels go up, the rating of tv advertising goes down. On a scale of one to four—one being poor and four being excellent—the mean scores were as follows: In the less-than-$10,000 bracket, 2.7; to $20,000, 2.64; to $30,000, 2.57, and $40,000 and up, 2.46.

As in the earlier study (AA, Oct. 24), respondents were asked to agree or disagree with the following statement: "Advertising is generally trustworthy and honest." Of the total number surveyed, 5% strongly agreed; 39% agreed; 6% were neutral; 35% disagreed, and 12% strongly disagreed (4% didn't respond).

In addition, consumers were asked what media they rely on most when making day-to-day purchases and major purchases.

As in the first study, newspaper ads scored highest for day-to-day purchases, followed by in-store materials and then tv commercials.

In-store advertising beat newspapers in the scores for major purchases, a change from the first study, but the change in numbers is not statistically significant.#

Winging it

Arresting print ads from Karastan, breaking this month from Ally & Gargano, use surrealistic photographs of birds and a peering human eye in a miniature room with Karastan carpeting with the headline, "Some of us have more finely developed nesting instincts than others."

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